

AMENDED IN SENATE AUGUST 23, 2006

AMENDED IN SENATE JUNE 14, 2006

AMENDED IN ASSEMBLY APRIL 6, 2005

CALIFORNIA LEGISLATURE—2005–06 REGULAR SESSION

ASSEMBLY BILL

No. 1010

Introduced by Assembly Member Ruskin
(Coauthors: Assembly Members Koretz, Montanez, and Oropeza)

February 22, 2005

An act to add Article 6 (commencing with Section 2899) to Chapter 10 of Part 2 of Division 1 of the Public Utilities Code, relating to telecommunications.

LEGISLATIVE COUNSEL'S DIGEST

AB 1010, as amended, Ruskin. Telecommunications: mobile telephony services.

Under existing law, the Federal Communications Commission licenses and partially regulates providers of commercial mobile radio service, including providers of cellular radiotelephone service (cellular), broadband Personal Communications Services (PCS), and digital Specialized Mobile Radio (SMR) services (collectively, mobile telephony service providers). Under existing law, no state or local government may regulate the entry of, or the rates charged by, any commercial mobile radio service, but a state or local government is generally not prohibited from regulating the other terms and conditions of commercial mobile radio service.

Existing law authorizes the Public Utilities Commission to regulate telecommunications services and rates of telephone corporations, except to the extent regulation of commercial mobile radio service is

preempted by federal regulation, and to require telephone corporations to provide customer services. Existing law requires a provider of mobile telephony service to provide subscribers with a means by which a subscriber can obtain reasonably current and available information on the subscriber's calling plan or plans and service usage.

This bill would require that providers of mobile telephony service extend a minimum ~~30-day~~ 21-day grace period to new customers during which the customer may rescind the agreement, without cost or penalty, if the customer finds that the service quality is unsatisfactory. ~~The bill would require that providers of mobile telephony service extend a minimum 30-day grace period to an existing customer who executes an agreement for new service, renewal of service, or modification of service, if the customer finds that the service quality is unsatisfactory.~~ The bill would further require that providers of mobile telephony service provide notice to consumers of ~~these rights~~ *this right*. A customer exercising the option to cancel within the ~~30-day~~ 21-day grace period would be required to pay for those services used prior to the cancellation of the agreement. The bill would except month-to-month accounts, as defined, and prepaid accounts, as defined, from these requirements.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Article 6 (commencing with Section 2899) is
2 added to Chapter 10 of Part 2 of Division 1 of the Public Utilities
3 Code, to read:

4

5

Article 6. Mobile Telephony Service

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2899. For purposes of this article, the following terms have
8 the following meanings:

9

(a) "Mobile telephony service" means commercially available
10 interconnected mobile phone service that provides access to the
11 public switched telephone network (PSTN) via a mobile
12 communication device employing radiowave technology to
13 transmit calls, including cellular radiotelephone, broadband

14 Personal Communications Services (PCS), and digital

1 Specialized Mobile Radio (SMR). “Mobile telephony service”
2 does not include mobile satellite service or mobile data service
3 used exclusively for the delivery of nonvoice information to a
4 mobile device.

5 (b) “Month-to-month account” means a contract for mobile
6 telephony service where the customer is not required to purchase
7 more than one month of service.

8 (c) “Prepaid account” means a contract for mobile telephony
9 service for a specified dollar amount less than one hundred
10 dollars (\$100) that the customer pays in full prior to receiving
11 service.

12 2899.1. (a) Every provider of mobile telephony service,
13 without cost or penalty, shall extend to new service customers a
14 grace period of at least ~~30~~ 21 days after executing the agreement,
15 for customers to rescind the agreement and terminate service, if
16 the customer finds that the service quality is unsatisfactory,
17 except that the customer shall pay for those services used prior to
18 the cancellation of the agreement. Every new mobile telephony
19 service agreement shall provide reasonable notice of this grace
20 period and the right of the customer to rescind the agreement if
21 the customer finds that the service quality is unsatisfactory.

22 ~~(b) Every provider of mobile telephony service, without cost~~
23 ~~or penalty, shall extend to existing customers a grace period of at~~
24 ~~least 30 days after executing an agreement for new service,~~
25 ~~renewal of service, or modification of service, for customers to~~
26 ~~rescind the agreement and terminate service, if the customer~~
27 ~~finds that the service quality is unsatisfactory, except that the~~
28 ~~customer shall pay for those services used prior to the~~
29 ~~cancellation of the agreement. Every new mobile telephony~~
30 ~~service agreement with an existing customer shall provide~~
31 ~~reasonable notice of this grace period and the right of the~~
32 ~~customer to rescind the agreement if the customer finds that the~~
33 ~~service quality is unsatisfactory.~~

34 (e)

35 (b) This section shall not apply to a month-to-month account
36 or prepaid account.